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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 24, 2003

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

CASE NO. PUC-2001-00226

Ex Parte: Establishment of a Performance Assurance Plan for Verizon Virginia Inc.

ORDER FOR NOTICE AND COMMENT

On March 17, 2003, Verizon Virginia Inc. ("Verizon Virginia" or "Company") filed with the State Corporation Commission ("Commission") a Petition for Waiver of Certain Service Quality Results Measured Under the Performance Assurance Plan for January 2003 ("Petition")¹. The service performance results sought to be waived for January 2003 would otherwise be included in Verizon Virginia's calculation of monthly bill credits due to Competitive Local Exchange Carriers ("CLECs") pursuant to Verizon Virginia's Performance Assurance Plan ("VA PAP"). Verizon Virginia estimates that if its Petition is granted, the rebates due to CLECs will be reduced from approximately \$1,011,418 to \$124,599, as calculated in Exhibit 1 of its Petition.

 $^{^1}$ A copy of Verizon Virginia's Petition is available on the Commission's website at $\underline{\text{http://www.state.va.us/scc/division/puc/ccimomfiles/vvwaive.pdf}}$.

In its Petition, Verizon Virginia claims that, as a result of the "Sapphire" (a/k/a "Slammer Worm," described in Computer Emergency Response Team Advisory CA-2003-04) computer virus, the Company suffered computer network security problems that adversely affected its ability to satisfy certain VA PAP metrics. Verizon Virginia invokes Section II (J) of the VA PAP to seek waiver of service results that are "beyond Verizon VA's control that negatively affect its ability to satisfy those measures with absolute standards". (VA PAP at 23). Verizon Virginia argues that the events associated with the malicious Sapphire virus and the resulting effect on performance standards were beyond its control.

NOW UPON CONSIDERATION of Verizon Virginia's Petition, we find that interested parties should have an opportunity to file comments regarding Verizon Virginia's Petition.

Accordingly, IT IS ORDERED THAT:

- (1) On or before April 9, 2003, all interested parties may file comments on Verizon Virginia's Petition with the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218.
- (2) On or before April 18, 2003, Verizon Virginia may file reply comments.
 - (3) This case shall be continued.